

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1287.
FILED, APRIL 1st, 1965.

File # GRANDROY MINES LIMITED

Incorporated under the Ontario Companies Act, by Letters Patent dated January 24, 1951; Supplementary Letters Patent dated February 22, 1955; and August 23, 1957.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957). Reference is made to previous

FILING STATEMENT Filing Statement No. 1083.

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	GRANDROY MINES LIMITED, hereinafter referred to as the "Company", proposes to sell 200,000 shares of its capital stock, by firm commitment, and to grant an Option on an additional 400,000 shares to Houston & Co., on behalf of a "Client".
2. Head office address and any other office address.	HEAD OFFICE: Suite 908, 330 Bay Street, Toronto, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	PHILIP E. BOYLEN, 35 Kingsway Crescent, Director and Brokers Account Executive, Toronto 18, Ontario. President DAVID W. GORDON, 51 Alexander Street, Director and Professional Secretary, Toronto, Ontario. Vice-President. GORDON L. MOORE, 60 Rivercove Drive, Director and Mining Executive, Islington, Ontario. Secretary-Treas. CHARLES B. BRANNIGAN, 40 Elvaston Drive, Assistant-Mining Accountant, Toronto 16, Ontario. Secretary. M. J. BOYLEN, Mining 35 Kingsway Crescent, Director. Executive and Prospector, Toronto 18, Ontario. WILLIAM C. DURHAM, Mining 35 Leacrest Avenue, Director. Executive and Stockbroker, Toronto, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	CAPITAL STOCK AUTHORIZED: 5,000,000 shares (Common) without nominal or par value. ISSUED: 4,000,005 shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None authorized or outstanding.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Houston & Co., at 335 Bay Street, Toronto, Ontario, acting on behalf of a "Client", has agreed to underwrite, by firm commitment, 200,000 shares of the capital stock of the Company at the price of 15¢ per share, to be taken up and paid for within a period of three days from the date of receipt of notices of acceptance for filing by The Toronto Stock Exchange and the Canadian Stock Exchange of the Company's Filing Statements relative thereto; and, in consideration therefor, the Company has granted unto Houston & Co., acting on behalf of a "Client", an Option to purchase an additional 400,000 shares in two installments of 200,000 shares each, at the prices of 15¢, and 20¢ per share to be taken up and paid for over a period of 180 days.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Lanson Holdings Limited, a private Company wholly owned by Mr. M. J. Boylen, with its offices at Suite 903, 330 Bay Street, Toronto, Ontario, is the "Client" referred to in Item No. 6 hereof and it will have a one hundred percent (100%) interest in the shares of the Company to be underwritten and optioned as hereinbefore set forth. No assignment of the said shares is proposed or contemplated.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	No cash or securities of the Company will be paid to a promoter in connection with the proposed underwriting and option referred to in Item No. 6 hereof.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company proposes to prospect its Labrie Township Quebec Mining Claims from the control grid of the line cutting carried out in December, 1964; to continue its geological and prospecting work, and to arrange for a work program of geo-physics, and diamond drilling if warranted, to be carried out on the New Brunswick Mining License of Jacquet River Mines Limited. Monies arising from the sale of treasury shares of the Company will be used as follows:

10. Brief statement of company's chief development work during past year.

The following work was carried out on the Company's mining properties during 1964:

JACQUET RIVER MINES LIMITED

No exploration work was carried out during 1964, by the Company's wholly owned subsidiary, Jacquet River Mines Limited, on its Mining License covering a group of mining claims in the Bathurst Area of New Brunswick. The Mining License, however, was maintained in good standing.

COMPANY'S NEWFOUNDLAND CONCESSION

The area covered by the Company's Mineral Concession Agreement was optioned to New Jersey Zinc Exploration Company (Canada) Ltd., pursuant to agreement dated May 11, 1964. An active summer program was carried out by the Optionee Company, consisting of prospecting and geochemical surveying with expenditures in excess of \$25,000.00 and sufficient to permit its retention of the Option for another year. An interesting lead occurrence was discovered as the field season was drawing to a close, upon which the Optionee Company proposes to do more work in 1965.

REID TOWNSHIP, ONTARIO

An electromagnetic geophysical survey was performed on the Reid Township Timmins area of Ontario mining claims and the resulting conductors diamond drilled with two holes for a total of 1,256 feet. The property is being retained for the time being with sufficient assessment work recorded to keep the claims in good standing for two years.

LARIE TOWNSHIP, QUEBEC

A group of 15 claims in Labrie Township, Quebec, were acquired by the Company during 1964, for staking costs only amounting to \$1,552.25. Line cutting was carried out on the claims during December, 1964, and it is proposed to prospect them from this control grid during the summer of 1965.

WILSON TOWNSHIP, QUEBEC

The Company's claim group at Wilson Lake, Quebec was covered by geological and geophysical surveys during the summer of 1964. The exploratory work was inconclusive and the Company proposes to allow the claims to lapse and be abandoned on date of renewal, April, 1965.

GENERAL

Prospecting and exploration work in an area and/or areas from time to time considered important to the Company in an endeavour to locate a mining property of merit.

11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.

Not applicable.

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.

Not applicable.

13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.

1,125,000 shares of the Company are held in escrow by Guaranty Trust Company of Canada, at 366 Bay Street, Toronto, Ontario. The said shares are subject to release, transfer, hypothecation or other alienations only upon the written consents of the Toronto and Canadian Stock Exchanges and the Quebec Securities Commission and the Board of Directors of the Company.

14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)

The escrowed shares referred to in paragraph 13 hereof are, in so far as the Company is aware, beneficially owned as follows: 1,125,000 shares by Mr. M. J. Boylen, at 35 Kingsway Crescent, Toronto, Ontario; and 90,000 shares by Mr. Walter Leamy, P. O. Box 577, Noranda, Quebec.

FINANCIAL STATEMENTS

GRANDROY MINES LIMITED

(Incorporated under the Laws of the Province of Ontario)

BALANCE SHEET
AS AT DECEMBER 31, 1964

ASSETS

	ASSETS	LIABILITIES
Cash	\$ 30,777.88	Accounts payable and accrued liabilities \$ 9,610.76
Sundry receivables	1,179.03	
Investment in shares of other mining companies, at cost (quoted market value \$140,000.25)	291,024.25	Shareholders' Equity
Investment in wholly-owned subsidiary (note 1)	\$250,000.00	Capital Stock
Shares, at cost	<u>77,373.84</u>	Authorized 5,000,000 shares of no par value
Advances	327,373.84	
Mining claims held under development licenses and miners' certificates, at cost (note 2)	76,582.26	Issued and Fully Paid (note 3)
Fixed Assets, at cost	\$ 3,168.80	4,000,005 shares of no par value \$1,483,755.25
Automotive equipment	5,700.00	
Mobilehomes	\$ 8,868.80	Capital Deficit per statement <u>447,702.32</u> 1,036,052.93
	<u>4,523.09</u>	
Less: Accumulated depreciation	4,345.71	
Deferred development and administrative expenditures, per statement	<u>314,380.72</u>	
		\$1,045,663.69
		<u> </u>
		\$1,045,663.69
		<u> </u>

Approved on behalf of the Board.

H. J. Boyle Director

W. P. Lederer Director

The accompanying notes form an integral part of the financial statements.

Auditors' report attached.

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 1964

1. The accounts of Grandroy Mines Limited and its wholly owned subsidiary, Jacquet River Mines Limited, have not been consolidated as neither company is in production. The investment in the subsidiary is shown at cost and no adjustment has been made in the accounts of Grandroy Mines Limited for losses of the subsidiary since the date of acquisition to December 31, 1964. The analysis of the deficit of the subsidiary for this period is as follows:

Surplus as at date of acquisition		\$182,596.95
Written off -		
Mining claims abandoned	\$152,574.49	
Development expenses thereon	34,279.18	
Loss on sale of investments	37,238.35	
Incorporation expense	3,885.00	227,977.02
Deficit as at December 31, 1964		\$ 45,380.07

2. During the year, the Newfoundland Legislature passed the Grandroy Mines Limited (Agreement) Act 1964 in confirmation of the Agreement of September 5, 1963 between the Government of Newfoundland and the Company wherein the company was granted extensive prospecting and exploration rights over a reserved area of approximately 179 square miles in the Great Northern Peninsula of Newfoundland for a period of three years expiring September 5, 1966.

Grandroy Mines Limited has granted a option to New Jersey Zinc Exploration Company (Canada) Ltd. to prospect and acquire an interest in the above property, the optionee being required to spend \$60,000 during a period of two years ending May 11, 1966. To date, \$25,531 has been expended on the property.

At any time during the two-year period and after having spent \$60,000, New Jersey Zinc Exploration Company (Canada) Ltd. may exercise the option and shall then cause a new company to be formed. Grandroy Mines Limited will transfer its entire interest in the Newfoundland property to the new company in consideration of 1,000,000 of its shares. The optionee will transfer its interest in the Newfoundland property to the new company in consideration of 2,000,000 of its shares.

3. During the year, the company issued 400,000 shares for a cash consideration of \$60,000.

STATEMENT OF CAPITAL DEFICIT

FOR THE YEAR ENDED DECEMBER 31, 1964

BALANCE - DECEMBER 31, 1963	\$436,739.97
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ADD -

Option abandoned on 6 mining claims held under development license, Senneterre Township, County of Abitibi, Province of Quebec	\$3,000.00
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Development costs on above mining claims	7,962.35	10,962.35
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BALANCE - DECEMBER 31, 1964	\$447,702.32
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STATEMENT OF DEFERRED EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 1964

DEVELOPMENT EXPENSE

Balance - December 31, 1963	\$204,430.90
Additions during the year	
Surface exploration	\$24,858.12
Assays	53.75
Diamond drilling	6,138.63
Licenses and fees	<u>1,009.00</u>
	<u>32,059.50</u>
Deduct -	
Costs applicable to	
mining claims abandoned	7,962.35
	\$228,528.05

ADMINISTRATIVE EXPENSE

Balance - December 31, 1963	\$ 77,625.83
Additions during the year	
Filing fees	\$ 690.00
Legal and audit	350.00
Transfer agents and registrar fees	1,408.90
Reports to shareholders	583.66
Listing and sustaining fees	200.00
Head office administration	3,000.00
Office and stationery expense	837.33
Telephone and postage expense	370.81
Insurance	113.82
Depreciation expense	1,862.45
Travelling expense	121.80
General expense	<u>55.31</u>
	\$ 9,594.08
Less - Interest earned	1,367.24
	8,226.84
	85,852.67
	\$314,380.72

Source and Application of Funds

for the period April 30, 1964 to February 28, 1965

Cash Balance - April 30, 1964 \$77,640.80

Source:

Interest earned	769.53
Miscellaneous rental	60.00
	<u>829.53</u>
	78,470.33

Application:

Purchase of Investments -	
First Maritime Mining Corp. Ltd.	
Rights Offering	1,545.00
Purchase of 18 claims in	
Reid Township, Ontario	16,000.00
Staking cost - 23 claims	
Wilson Lake Area	1,530.01
Staking cost - 15 claims	
Labrie Township	1,552.25
Surface Diamond Drilling	6,138.63
Surface Exploration	23,086.84
Mining Leases and fees	829.00
Purchase of aluminum canoe	125.00
Administrative and general	
corporate expense	6,219.69

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D. E. Gordon
Director

Director

JACQUET RIVER MINES LIMITED

(Incorporated under the Laws of the Province of Ontario)

BALANCE SHEET

AS AT DECEMBER 31, 1964

ASSETS

Cash	\$ 194.33
Investment in shares of other mining companies, at cost (quoted market value \$13,354.00)	21,377.10
Mining claims held under mining license	
Deferred development and administrative expenditures, per statement	48,029.34

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LIABILITIES

Cash	\$ 100.00
Accounts payable	
Advance from parent company Grandroy Mines Limited	77,373.84
Shareholders' Equity	
Capital Stock	
Authorized	
5,000,000 shares of \$1.00 par value	<u>\$5,000,000.00</u>
Issued	
1,250,007 shares	\$1,250,007.00
Less: Discount thereon	1,162,500.00
\$ 87,507.00	
Capital Deficit	
No change during the year	<u>45,380.07</u>
	<u>42,126.93</u>
	\$119,600.77

Approved on behalf of the Board:

H. H. Benner Director
G. L. Lemoine Director

Note: Jacquet River Mines Limited has agreed not to allot and issue, or cause to be allotted and issued, any shares of its capital stock whatsoever at any time without the written approval and consent of Grandroy Mines Limited.

Auditors' report attached.

STATEMENT OF DEFERRED EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1964

BALANCE - DECEMBER 31, 1963

\$45,195.38

MINE DEVELOPMENT EXPENSES

Assessment for work	\$2,408.91
Licenses and fees	<u>272.50</u>
	\$2,681.41

ADMINISTRATIVE EXPENSES

Legal and audit	\$ 25.00
Transfer agent	50.00
Filing fees	55.00
Corporation tax	20.00
Bank charges	<u>2.55</u>
	<u>152.55</u>
	2,833.96

BALANCE - DECEMBER 31, 1964

\$48,029.34

Source and Application of Fundsfor the period April 30, 1964 to February 28, 1965

Cash Balance - April 30, 1964 \$3,078.29

Source:

Nil

Application:

Mining Licenses, fees and assessment	2,681.41
Administrative and General	
Corporate expense	<u>222.55</u>
	<u>2,903.96</u>

Cash Balance - February 28, 1965

\$ 174.33

Approved on behalf of the Board:

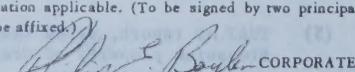
D. C. Gordon
Director

C. J. L. Jones
Director

	<u>Registrant</u>	Total Number of Shares	Shares held in Escrow																																								
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	Houston & Co. 335 Bay Street, Toronto, Ontario.	1,296,375	1,125,000																																								
	G.W. Nicholson & Company Limited, 67 Richmond Street West, Toronto, Ontario.	519,264																																									
	Hevenor & Co., 11 Jordan Street, Toronto, Ontario.	159,099																																									
	Doherty Roadhouse, McCuaig & Co., 335 Bay Street, Toronto, Ontario.	92,638																																									
	L. G. Beaubien & Co., 221 Notre Dame Street West, Montreal, Quebec.	82,219																																									
	Mr. M. J. Boylen is the beneficial owner of the escrowed 1,125,000 shares of the Company registered in the name of Houston & Co. The beneficial owners of the other shares of the Company registered in "street" names as aforementioned are unknown to the Company save that Mr. M. J. Boylen (or his interests) beneficially owns 228,500 shares registered in "street" names.																																										
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	It is believed that the present Directors are in such position, dependent upon proxies from a sufficient number of shareholders.																																										
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<p style="text-align: center;"><u>JACQUET RIVER MINES LIMITED</u></p> <p><u>Investments</u></p> <table> <thead> <tr> <th>Names of Companies</th> <th>"Escrowed"</th> <th>"Free"</th> <th>"Total"</th> <th>"Cost"</th> </tr> </thead> <tbody> <tr> <td>Eastmont Larder Lake Gold Mines</td> <td>270,000</td> <td>30,000</td> <td>300,000</td> <td>3,000.00</td> </tr> <tr> <td>Captain Mines Limited</td> <td>180,000</td> <td>-</td> <td>180,000</td> <td>1,800.00</td> </tr> <tr> <td>Bocabois Gold Mines Limited</td> <td>180,000</td> <td>20,000</td> <td>200,000</td> <td>500.00</td> </tr> <tr> <td>Kontiki Lead & Zinc Mines Limited</td> <td>55,912</td> <td>-</td> <td>55,912</td> <td>2,795.60</td> </tr> <tr> <td>Key Anacon Mines Limited</td> <td>-</td> <td>400</td> <td>400</td> <td>1,656.50</td> </tr> <tr> <td>Northern Canada Mines Limited</td> <td>-</td> <td>5,000</td> <td>5,000</td> <td>11,625.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td><u>21,377.10</u></td> </tr> </tbody> </table>			Names of Companies	"Escrowed"	"Free"	"Total"	"Cost"	Eastmont Larder Lake Gold Mines	270,000	30,000	300,000	3,000.00	Captain Mines Limited	180,000	-	180,000	1,800.00	Bocabois Gold Mines Limited	180,000	20,000	200,000	500.00	Kontiki Lead & Zinc Mines Limited	55,912	-	55,912	2,795.60	Key Anacon Mines Limited	-	400	400	1,656.50	Northern Canada Mines Limited	-	5,000	5,000	11,625.00					<u>21,377.10</u>
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18. Brief statement of any lawsuits pending or in process against company or its properties.	There are no lawsuits pending or in process against the Company or its properties.																																										
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	There are no other material contracts outstanding.																																										
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	<p>There are no other material facts.</p> <p>The shares of the company referred to in Item No. 6 hereof, when issued will be in the course of primary distribution to the public.</p>																																										

CERTIFICATE OF THE COMPANY DATED March 29, 1965

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)


 Philip E. Boylen, President CORPORATE SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

H. Gibson

